GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

STARRED QUESTION NO:302
ANSWERED ON:21.12.2015
Khadi and Village Industries Commission
Jadhav Shri Prataprao Ganpatrao;Laguri Smt. Sakuntala

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government is aware of pivotal role played by the Khadi and Village Industries Commission (KVIC) in transforming rural economy of the country and if so, the details thereof;

(b) whether a number of Khadi Bhandars/outlets of KVIC have closed down over the years and if so, the details thereof and the reasons therefor including the number of Khadi Bhandars which existed in 1997 and those at present, State/ UT-wise;

(c) whether the Government has introduced any scheme for modernisation of Khadi Bhandars/outlets in the country and if so, the details thereof along with the funds earmarked for the purpose;

(d) whether the Government proposes to set up Khadi outlets in foreign countries also and if so, the details thereof, country-wise; and

(e) the steps taken for promotion and export of khadi products?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI KALRAJ MISHRA)

(a)to(e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION No.*302 FOR ANSWER ON 21.12.2015

(i) Khadi & Village Industries Commission (KVIC) was set up in 1956 for the development of Khadi and Village Industries and for matters connected therewith. KVIC extends financial support for creation of employment opportunities and for marketing of products of Khadi and Village Industries (KVIs). There are 7050 outlets of Khadi Institutions, 7 Departmental Khadi Gramodyog Bhavans (KGBs) and 1 Gramshilpa in the country. Government has taken various steps to support Khadi and Village Industries Institutions, including programmes like Janshree Bima Yojana (JBY), Market Promotion Development Assistance (MPDA) Scheme, Workshed Scheme for Khadi Artisans, Interest Subsidy Eligibility Certificate (ISEC) Scheme for the development of Khadi sector. Budget allocated to KVIC in the year 2015-16 is Rs. 231.72 crore.

(ii) The performance of KVIC outlets for the last three years are given below:
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Year Sales including supply to Govt. Departments
(Rs. in lakhs)
2012-13 Rs. 5425.90
2013-14 Rs. 8705.20
2014-15 Rs.12513.72
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(iii) 4 Khadi Bhandars/outlets of KVIC located at Hyderabad (2000), Visakhapatnam (2000), Lucknow (2001) and Bangalore (2010) have closed down due to non-viability.

(iv) At the end of 1997-98 financial year, i.e. as on 31.03.1998, there were 27 Bhawans/Vastragar/Bhandars of KVIC. At present,23 Bhawans/Vastragar/Bhandars of KVIC (7 Departmental Bhawans, 1 Gramshilpa and 15 Branches) are functional. The State wise list is given below:
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KGB (No.) State Outlets
(No.) Departmental Sales Outlets

1 Delhi
1 Khadi Gramodyog Bhavan, Regal Building, Connaught Circus, New Delhi working at Gramshilpa, A-1, Baba Kharak Singh Marg, Connaught Circus, New Delhi
2 Sector-8, Shop No:1, RK Puram, New Delhi-110022
3 IIT Shopping Centre, Hauz Khas, New Delhi-110016
4 F-52, MadhuVihar, Delhi-110092
5 D-9A, Sector-27, NOIDA (U.P)
6 Ashoka Hotel, Chanakyapuri, New Delhi-110021
7 Sector-3, Rohini, New Delhi
2 8 Gramshilpa, A-1, Baba Kharak Singh Marg, Connaught Circus, New Delhi
3 Maharashtra 9 Khadi Gramodyog Bhavan, KVIC, Campus, Irla Road, Vile Parle (W) Mumbai− 400056
10 Viral Apartment, S.V. Road, Mumbai.
4 Goa 11 Khadi Gramodyog Bhavan, KVIC, Katkar Building,Old Station Road, Margaon, Goa
12 Municipal Building, Dr. A.B Road, Panaji-403011
5 Bhopal 13 Khadi Gramodyog Bhavan, KVIC, Jawahar Chowk, Bhopal
14 27, Bhadbada Road, T.T. Nagar, Bhopal - 462 003
6
Kerala 15 Khadi Gramodyog Bhavan, Pallimukku, M.G. Road, Ernakulam, Cochin
16 Khadi Silk Emporium East Fort, Trivandrum - 695 023
17 Shop No.15, Vijayanthi Building, Guruvayoor- 680 101
7 West Bengal 18 Khadi Gramodyog Bhavan, KVIC, Chitaranjan Avenue Kolkata
19 Bijwai Chand Road, Baidyanath Katra, Burdwan-713101
20 46/2/1A, Gariahat Road, Kolkata-700019
21 The Mall, Darjeeling - 734 101
22 IIT, Kharaghpur
8 Bihar 23 Khadi Gramodyog Bhavan, 'B' Block, 1stFloor, Maurya lok
Complex, Patna- 800001
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(v) To renovate the outlets and to strengthen the production infrastructure, Government has a separate scheme called "Strengthening of Infrastructure of Existing Weak Khadi Institutions and assistance for Marketing Infrastructure". This scheme provides for capital expenditure, working capital and renovation of sales outlets. KVIC has extended financial support to the tune of Rs.390.99 lakh for renovation and modernization of 52 sales outlets since inception.

(vi) There is no proposal for setting up of Khadi outlets in foreign countries.

(vii) KVIC assists Khadi and Village Industries Institutions both in production and in marketing of their products. Export activities are encouraged through participation in Trade Fairs including India International Trade Fair (IITF) held every year at Delhi by India Trade Promotion Organisation (ITPO). In addition, buyer-seller meets are also organized. KVIC has been declared as deemed Export Promotion Council (EPC) for Khadi products in December 2006-1018 Khadi and Village Industries Institutions and PMEGP units have taken its membership to enter the export market. Government has introduced Interest Equalization Scheme 2015 to boost exports in the sectors of handicrafts, agri-products, food processing and SMEs. Government is also implementing the International Cooperation Scheme to enable exporters to participate in International Trade Fairs and Exhibitions.